

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE

RONALD A. KATZ TECHNOLOGY	)	
LICENSING, L.P.,	)	
	)	
Plaintiff,	)	
	)	
v.	)	C.A. No. 06-543 (GMS)
	)	
RELIANT ENERGY, INC., et al.,	)	<b>JURY TRIAL DEMANDED</b>
	)	
	)	
Defendants.	)	
	)	

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**PLAINTIFF RONALD A. KATZ TECHNOLOGY LICENSING, L.P.’S  
REPLY TO DEFENDANTS RELIANT ENERGY, INC.  
AND RELIANT ENERGY RETAIL SERVICES, LLC’S COUNTERCLAIMS**

Plaintiff and Counterclaim-Defendant Ronald A. Katz Technology Licensing, L.P. (“Katz Technology Licensing”) replies to the Counterclaims of Defendants and Counterclaim-Plaintiffs Reliant Energy, Inc. and Reliant Energy Retail Services, LLC (collectively “Reliant”) as follows:

**GENERAL ALLEGATIONS AND PARTIES**

1. On information and belief, Katz Technology Licensing admits that Reliant Energy, Inc. is a Delaware corporation having a principal place of business at 1000 Main Street, Houston, Texas 77002.
2. On information and belief, Katz Technology Licensing admits that Reliant Energy Retail Services, LLC is a limited liability company organized under the laws of the State of Delaware having a principal place of business at 1000 Main Street, Houston, Texas 77002.
3. Katz Technology Licensing admits that it is California limited partnership with its principal place of business at 9220 Sunset Boulevard, Suite 315, Los Angeles, California

90069 as alleged in Paragraph 72 of Reliant's Answer, Defenses, and Counterclaims (hereinafter, "Counterclaims").

4. Katz Technology Licensing: (a) admits that this Court has subject matter jurisdiction over this action under 28 U.S.C. §§ 1331 and 1338(a) and 35 U.S.C. § 1 *et seq.*; (b) admits that Reliant purports to bring its counterclaims for a declaratory judgment pursuant to 28 U.S.C. §§ 2201 and 2202, as alleged in Paragraph 73 of its Counterclaims; and (c) denies the viability of that request for a declaratory judgment. Katz Technology Licensing denies the remaining allegations set forth in Paragraph 73.

5. Katz Technology Licensing admits that it is subject to personal jurisdiction in this judicial district as alleged in Paragraph 74 of Reliant's Counterclaims.

6. Katz Technology Licensing admits that venue is proper in this judicial district as alleged in Paragraph 75 of Reliant's Counterclaims.

7. Katz Technology Licensing admits that it is the sole holder of the entire right, title and interest in United States Patent Nos. 6,148,065 ("the '065 patent"); 5,974,120 ("the '120 patent"); 6,349,134 ("the '134 patent"); 4,930,150 ("the '150 patent"); 6,434,223 ("the '223 patent"); 5,251,252 ("the '252 patent"); 5,351,285 ("the '285 patent"); 6,678,360 ("the '360 patent"); 5,815,551 ("the '551 patent"); 5,828,734 ("the '734 patent"); 5,898,762 ("the '762 patent"); 5,684,863 ("the '863 patent"); 5,917,893 ("the '893 patent"); 6,335,965 ("the '965 patent"); and 4,792,968 ("the '968 patent"); and 5,128,984 ("the '984 patent"), as alleged in Paragraph 76 of Reliant's Counterclaims.

8. Katz Technology Licensing admits that it has alleged that Reliant has been and is now infringing, actively inducing the infringement of, or contributing to the infringement of one or more claims of each of the '065, '120, '134, '150, '223, '252, '285, '360, '551, '734,

'762, '863, '893, '965, '968, and '984 patents, as set forth in Paragraph 77 of Reliant's Counterclaims.

**FIRST COUNTERCLAIM**  
**(Declaratory Judgment of Non-Infringement)**

9. In response to Paragraph 78 of Reliant's Counterclaims, Katz Technology Licensing realleges and incorporates by reference Paragraphs 1 through 8 of this Reply as if fully set forth herein.

10. Katz Technology Licensing denies the allegations of Paragraph 79.

11. Katz Technology Licensing denies the allegations of Paragraph 80.

**SECOND COUNTERCLAIM**  
**(Declaratory Judgment of Invalidity)**

12. In response to Paragraph 81 of Reliant's Counterclaims, Katz Technology Licensing realleges and incorporates by reference Paragraphs 1 through 11 of this Reply as if fully set forth herein.

13. Katz Technology Licensing denies the allegations of Paragraph 82.

14. Katz Technology Licensing denies the allegations of Paragraph 83.

**PRAYER FOR RELIEF ON RELIANT'S COUNTERCLAIMS**

Katz Technology Licensing respectfully requests that, in response to Reliant's Counterclaims, this Court:

1. Dismiss Reliant's Counterclaims with prejudice;
2. Adjudge that Reliant is not entitled to any relief, including any of the relief requested in Reliant's prayer for relief; and
3. Award to Katz Technology Licensing the relief requested in its Complaint and such other relief as the Court may deem appropriate and just under the circumstances.

MORRIS, NICHOLS, ARSHT & TUNNELL LLP

*/s/ Julia Heaney*

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CERTIFICATE OF SERVICE

I hereby certify that on November 15, 2006, I electronically filed the foregoing document with the Clerk of Court using CM/ECF, which will send notification of such filing to the following Joanne Ceballos.

Additionally, I hereby certify that true and correct copies of the foregoing were caused to be served on November 15, 2006 upon the following individuals in the manner indicated:

**BY EMAIL**

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*/s/ Julia Heaney*

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